



PRESS RELEASE

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IRS – Criminal Investigation

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Virginia Electrician Sentenced to Prison for Obstructing Administration of Internal Revenue Laws

A Cumberland, Virginia resident was sentenced today to 24 months in prison for his involvement in a scheme to evade paying his federal income taxes, announced Principal Deputy Assistant Attorney General Caroline D. Ciruolo, head of the Justice Department's Tax Division, and U.S. Attorney John P. Fishwick Jr. of the Western District of Virginia.

According to court documents, Richard Alex, 52, a self-employed low-voltage electrician, had not filed a timely or valid tax return in more than a decade. For tax years 1998 and 2000 through 2003, Alex filed false individual income tax returns reporting no income. Alex also failed to file individual income tax returns for 2004 through 2013, despite receiving numerous warnings and notices from the Internal Revenue Service (IRS). In response to IRS collection efforts, Alex attempted to conceal his assets and income. For example, beginning in 2004, he used nominee bank accounts to receive income he earned from dispatch companies. Alex also provided false information to a tax return preparer for the purpose of preparing federal tax returns for Alex's nominee entity, Cole Data Services.

Alex pleaded guilty in July to one count of corruptly endeavoring to impede and obstruct the administration of the internal revenue laws. In addition to the prison term imposed, Alex was ordered to serve one year of supervised release and to pay restitution in the amount of \$809,707 to the IRS.

Principal Deputy Assistant Attorney General Ciruolo and U.S. Attorney Fishwick commended special agents of IRS-Criminal Investigation, who conducted the investigation, and Trial Attorney Sean Beaty of the Tax Division and Assistant U.S. Attorney C. Patrick Hogeboom, who are prosecuting the case.

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